


Attachment:

Significance of Shift to Small-scale Projects for the Economic Development  
of Communist China's Machinery Industry

- I.\* Analysis of new Chinese Communist policy as a means of supplementing industrial production.
  - A. Appearance of bottlenecks in type of development which resulted from copying the U.S.S.R.
  - B. Alleged advantages of small-scale production with special reference to the commune movement.
- II. Chinese experience before 1949 in use of small-scale plants and traditional (labor-intensive) methods in machinery manufacture.
- III.  25X6
- IV. Limiting factors affecting Chinese Communist capabilities to take advantage of small-scale methods.
  - a. Availability of material
  - b. Technology
  - c. Labor skills
  - d. Organizational control
- V. Assessment.

\* Brief introduction only.